

## EXHIBIT A

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
MCALLEN DIVISION

UNITED STATES OF AMERICA	§ CASE NO. 7:21-CR-603-3
	§ MCALLEN, TEXAS
VERSUS	§ WEDNESDAY,
	§ MARCH 10, 2021
DAISY YANNETTE SUPRISE	§ 3:23 P.M. TO 5:09 P.M.

DETENTION HEARING (VIA VIDEOCONFERENCE)

BEFORE THE HONORABLE JUAN F. ALANIS  
UNITED STATES MAGISTRATE JUDGE

APPEARANCES:	SEE NEXT PAGE
COURTROOM DEPUTY:	NELIDA LOSOYA
COURT RECORDER:	JENNIFER NOGUEIRA

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Also Present: LAURA IGLESIAS

INDEX

WITNESS:	<u>Direct</u>	<u>Cross</u>	<u>Redirect</u>	<u>Recross</u>
Mariah Yates				
By: Ms. Profit	14	-	-	-
By: Mr. Duarte	-	21	-	-

EXHIBITS:	<u>Marked</u>	<u>Offered</u>	<u>Admitted</u>
None			

...

1 MCALLEN; THURSDAY, MARCH 10, 2021, 3:23 P.M.

2 THE COURT: We are set here for a preliminary  
3 detention hearing in the matter of The United States of  
4 America versus Daisy Yannette Suprise, docket  
5 No. 7:21-mj-387-3.

6 Announcements. Government first.

7 MS. PROFIT: The Government is present and ready,  
8 Your Honor.

9 MR. DUARTE: Demetrio Duarte appearing on behalf of  
10 the Defendant, Ms. Suprise, and we are ready to proceed, Your  
11 Honor.

12 THE COURT: Before we go forward with the formal  
13 preliminary detention hearing I need to address the issue of  
14 the Garcia hearing.

15 Let me address Ms. Surprise in regards to her  
16 consent for these proceedings at this time.

17 Ms. Surprise, I do need to ask you some questions  
18 here under oath under penalty of perjury should you provide a  
19 lie or false statement to the Court. Therefore, if you can  
20 please raise your right hand and the Clerk will place you  
21 under oath.

22 (Defendant sworn.)

23 THE COURT: You may place your hand down.

24 Is your true and correct name Daisy Yannette  
25 Surprise?

1 THE DEFENDANT: That's correct.

2 THE COURT: And right now are you here in Court  
3 under the influence of any drugs, alcohol or medication?

4 THE DEFENDANT: No, Your Honor.

5 THE COURT: Ms. Surprise, you do have a right to  
6 actually appear in court here in McAllen for these  
7 proceedings. As you're aware because of the COVID-19 pandemic  
8 we set up the video conference system. And do you consent or  
9 agree to your presence here through use of the video  
10 conference system?

11 THE DEFENDANT: I consent.

12 THE COURT: And Mr. Duarte, any objection to these  
13 proceedings?

14 MR. DUARTE: No, sir.

15 THE COURT: I do note there's no objection to these  
16 proceedings and Ms. Surprise has consented to these  
17 proceedings and they are allowed under the Federal Rules of  
18 Criminal Procedure as well pursuant to General Order Number  
19 2020-27, issued under the CARES Act in light of the COVID-19  
20 pandemic to ensure everybody's safety in the interest of  
21 justice and allow the Court to continue to function at this  
22 time.

23 We are formally set here for a preliminary detention  
24 hearing, but before we get to that I know both parties have  
25 filed motions in regards to the request for a Garcia hearing

1 by the Government at the last hearing.

2 Mr. Profit, do you want to address your motion at  
3 this time?

4 MS. PROFIT: Your Honor, the Government believes  
5 that it is important that we have an inquiry as to the  
6 circumstances surrounding the hiring of Mr. Duarte. As we put  
7 forth in our motion, at the time of her arrest Ms. Suprise did  
8 not have Mr. Duarte's card in her purse, though she had the  
9 card from several local attorneys.

10 Regarding putting in appearance and he had been  
11 making the inquiry of the Government as to who the Government  
12 was going to be arresting after the arrest of Ms. Pena and Ms.  
13 Suprise's mother. And then at the time when she was arrested  
14 she was overboard advising her father to call Eddie. Then we  
15 have Mr. Duarte putting in an appearance.

16 We have a situation here where we had an earlier  
17 attempt, by Ms. Pena, to hire counsel -- for someone other  
18 than Ms. Pena to hire counsel to represent her. So because of  
19 these reasons we believe there has to be an inquiry into how  
20 Mr. Duarte happened to be hired on this case and what the  
21 source of the funds are.

22 And with respect to the source of the funds, the  
23 concern that the Government has, and I think it's pretty much  
24 laid out in the Pretrial Services report. Ms. Suprise and her  
25 husband seem to be totally and completely dependent upon her

1 parents. She lives in a house that they provide, they have a  
2 ranch that the parents have provided in trust for the  
3 children. And the source of her income is the business, which  
4 the Government alleges is a money-laundering operation.

5 So there should be some independent funds to ensure  
6 that Ms. Surprise has independent representation that has only  
7 her interest at stake.

8 THE COURT: Mr. Duarte, any response?

9 MR. DUARTE: Yes, Your Honor. It truly is, in my  
10 view, and I hate to use the term intrepid (indiscernible) for  
11 me, that's what it is.

12 I am a Board Certified attorney in criminal law in  
13 the state of Texas, I've practiced over 35 years. I am  
14 licensed by the state of Texas and I am a licensed member of  
15 the Southern District of Texas.

16 I have never in my life been sanctioned by the State  
17 Bar of Texas or any court, State or Federal, and the  
18 suggestion is, number one, I could be acting illegally because  
19 I'm taking money from a drug launderer, one.

20 Or two, I'm acting unethically because I'm not  
21 interested in representing the interests of Ms. Surprise.  
22 Either one of those cases is accurate.

23 The last time we were here I represented to the  
24 Court that I was only interested in representing Ms. Surprise.  
25 Ms. Surprise advised the Court of that fact. I advised the

1 Court that I had been contacted and spoke with Victor Soliz,  
2 who is also present electronically today. He asked me why  
3 from Ms. Surprise. I explained that I never take a case,  
4 regardless of who pays me, until the client says, yes, I  
5 agree.

6 Many cases have a mother, a divorced father and a  
7 cousin saying, I will go get you a lawyer and three lawyers  
8 show up. But it's up to the client to decide who the lawyer's  
9 going to be.

10 I made it clear at the last hearing that was the  
11 case here; that Ms. Surprise was not contacted by me until she  
12 authorized me to speak with her. I did not contact her until  
13 she said that this is the lawyer that she wanted. And that's  
14 pretty much it, Judge.

15 The Government has, quote, "a concern," closed  
16 quote. And that is not what Garcia calls for, that's not what  
17 the Rules of Ethics call for. And, you know, I just finished  
18 reading a very interesting case about how in a family law case  
19 the custodial parents are presumed to be good parents.  
20 Lawyers, sometimes refer to the clients that they're presumed  
21 to be innocent. I would hope I presume to be honest and  
22 ethical. There's nothing illegal or unethical in my  
23 representation of the client is -- and so is her husband, and  
24 can verify that.

25 THE COURT: Ms. Profit, any response?



1 MS. PROFIT: Your Honor, I would like to hear from  
2 Mr. Soliz.

3 THE COURT: Well, let's take care of the first  
4 matter, I guess to be addressed, is whether or not necessarily  
5 we need to go forward with the Garcia hearing before we get to  
6 that point.

7 And I guess let me ask Mr. Duarte something just to  
8 clarify in regards to his motion at this time. You basically  
9 laid out some of the information laid out here on the Record  
10 for this hearing. But you also noticed about the husband,  
11 that he conferred with Defendant Daisy Suprise, confirmed she  
12 approved her husband's retaining counsel.

13 So did he retain you or was it another family member  
14 who retained you? I just want a clarification on what you set  
15 out in your motion.

16 MR. DUARTE: I guess he sought to retain me and Ms.  
17 Suprise approved my being retained. And then after she  
18 approved that, Mr. Soliz, with a credit card, paid me. And I  
19 don't know how that rises to any level of illegality or any  
20 kind of suspect activity. And I think the Government has to  
21 come forward with more than, quote, "a concern," closed quote.

22 And seriously, this is a Sixth Amendment issue. And  
23 for the Government to start making inquires of people about  
24 how they choose lawyers or why they choose lawyers, that's  
25 over-stepping and that is oppressive behavior, in my humble

1 opinion.

2 THE COURT: Ms. Profit, let me address you on -- and  
3 again, the issue to the Garcia hearing. Basically,  
4 essentially there's a conflict of interest, or the Government  
5 can show there's a conflict of interest or a potential for  
6 conflict of interest, then there's a need to arise for the  
7 Court to inquire.

8 Further, in regards to that conflict or potential  
9 conflict of interest, and then if there is, review with the  
10 Defendant or the Defendant may be how they wish to proceed.

11 The case law is clear. Individuals do have a right  
12 to choose their counsel and proceed forward who they want to  
13 go with, and obviously there are limited circumstances where a  
14 conflict of interest may be so great that the attorney needs  
15 to be removed.

16 But based on the information I have before me, I  
17 guess I don't see any conflict of interest or potential  
18 conflict of interest at this time, Ms. Profit. I understand  
19 the Court's concern about what happened, I believe with the  
20 co-defendant in this matter. But it looks like in this  
21 instance her husband has retained Mr. Duarte on behalf of her  
22 and she does wish to go forward with counsel at this time.

23 So outside of what may have happened with the co-  
24 defendant in this matter, I guess is there any information the  
25 Government has with any potential conflict of interest that

1 may arise from Mr. Duarte's representation of Ms. Suprise?

2 MS. PROFIT: The Government does not have any  
3 further information to present at this time. But the  
4 Government continues to be concerned that Mr. Duarte is not --  
5 that individuals are selecting Mr. Duarte for Ms. Suprise.  
6 But at this point in time we do not have anything further to  
7 present to the Court. But should we have something further to  
8 present to the Court we will.

9 THE COURT: So I'll note a couple things. In that  
10 regard in preparing for this hearing I've looked at some of  
11 the case law besides what was provided by the Government and  
12 Defense counsel.

13 There is nothing that prohibits a third party from  
14 retaining an individual to represent that individual through a  
15 proceedings is actually in a context of a drug case when that  
16 reference was made. The issues is whether or not that  
17 attorney is going to represent that individual to the fullest  
18 extent of the law.

19 Based on the information I have here it appears that  
20 a family member has retained Mr. Duarte. I'm not aware of any  
21 actual conflict of interest at this time. I'm not aware even  
22 at this stage of anything that would arise to a potential  
23 conflict of interest.

24 For that reason, based on the information I have  
25 before me I don't think there's any necessity to go any

1 further in regards to a Garcia hearing at this stage.  
2 Obviously things can change, the circumstances can change as  
3 these proceedings go forward.

4 And, Ms. Profit, if additional information does come  
5 forward, the Government can file the appropriate motion at  
6 this time. But based on everything I have, and also taking  
7 into consideration Mr. Duarte's response here and what his  
8 client said at the initial appearance, that she wished to go  
9 forward with Mr. Duarte at this time.

10 Based on what I have at this stage there's not  
11 enough to go forward with a Garcia hearing. Therefore, we'll  
12 take up the next matter, which is the preliminary hearing.  
13 Mr. Duarte, announcement in that regard?

14 MR. DUARTE: We're ready, Judge.

15 THE COURT: Ms. Profit, I believe your witness may  
16 be online, Agent Yates. Is that correct?

17 MS. PROFIT: Yes, Your Honor. The Government's  
18 witness is online.

19 THE COURT: Agent Yates, first of all I do see you  
20 here and hopefully you've been able to hear everything so far.

21 MS. YATES: Yes, Your Honor.

22 THE COURT: Okay. Before we go any further let me  
23 take care of a couple preliminary matters.

24 If you could please raise your right hand and the  
25 Clerk will formally place you under oath.

1 (Witness sworn.)

2 THE COURT: You may place you hand down. And just  
3 so it's clear for the Record, can you state your full name for  
4 the Record?

5 THE WITNESS: Yes. It is Mariah Yates.

6 THE COURT: And who do you work for at this time?

7 THE WITNESS: I work for the Drug Enforcement  
8 Administration.

9 THE COURT: Before we go forward, so far, Mr.  
10 Duarte, have you been able to hear everything?

11 MR. DUARTE: Yes, sir.

12 THE COURT: And Ms. Suprise, have you been able to  
13 hear everything as well?

14 THE DEFENDANT: Yes, Your Honor.

15 THE COURT: Okay. A couple of things if I could  
16 advise -- I don't know if it's Deputy Marshal or a guard over  
17 at the facility. But if they could provide you a chair for  
18 this portion of the hearing, and this is addressed to Ms.  
19 Suprise, she can sit down for this portion of the hearing.

20 The other thing I would like to address with Mr.  
21 Duarte. Obviously we've had some connection issues.  
22 Hopefully we'll be able to go through this hearing without any  
23 other connection issue. Obviously if there is I'll work with  
24 the IT staff here in McAllen and hopefully get everybody back  
25 online in that regard. But if there's any connection issues,

1 please do let me know.

2 Finally, Ms. Suprise, let me address you. I do  
3 advise individuals at the facility, normal circumstances you  
4 would be sitting next to your attorney. You'd be able to talk  
5 to your attorney here in the courtroom.

6 As this hearing goes forward, if you believe there's  
7 a need for you to speak with your attorney, please just raise  
8 your hand or get my attention. I'll be able to place you in a  
9 breakout room, give you an opportunity to consult with him,  
10 and then he'll be able to advocate for you on your behalf.

11 Again, we're using the video conference system. I  
12 have conducted several of these hearings and these are usually  
13 addressing issues that usually develop through the course of  
14 the hearing. So hopefully we won't have any here this  
15 afternoon.

16 Ms. Profit, you may proceed.

17 DIRECT EXAMINATION OF SPECIAL AGENT MARIAH YATES  
18 BY MS. PROFIT:

19 Q Could you state your name for the Record, please?

20 A Yes. I'm Agent Mariah Yates with the DEA.

21 Q Have you been involved in the investigation of South  
22 Texas Beauty Supply?

23 A Yes, I have.

24 Q And during the course of this investigation did some  
25 undercover offices go to South Texas Beauty Supply?

1 A Yes, ma'am.

2 Q Can you describe the circumstances of the use of the  
3 undercovers --

4 A Yes, ma'am.

5 Q -- and the dates upon which they did this?

6 A Yes, ma'am. The first operation began -- the money was  
7 delivered on February 14th of 2018. And the second undercover  
8 operation was on August 2nd of 2018.

9 Q And in terms of that operation, what did we know in terms  
10 of the source of the funds?

11 A That they were drug proceeds from drugs that had been  
12 delivered to those areas on prior occasions.

13 Q And what were the undercovers told in terms of where the  
14 drug proceeds had to go?

15 A They were told to be delivered to McAllen, Texas. Upon  
16 traveling to McAllen, Texas they were given a phone number and  
17 that phone number was for South Texas Beauty Supply in  
18 McAllen, Texas.

19 Q And was there any point in time where they were told to  
20 meet with Daisy?

21 A Yes, ma'am. On the first occurrence in February of 2018,  
22 Ms. Surprise's name was mentioned as being a person that could  
23 take in the currency.

24 Q And did the undercover agents -- who did the undercover  
25 agents meet with?

1 A On that day they ended up meeting with Ms. Pena, Yolanda  
2 Pena.

3 Q And was this videotaped?

4 A Yes, ma'am.

5 Q And do we have a video tape of that?

6 A Yes, ma'am.

7 Q And how much money was delivered at that time?

8 A Approximately \$83,000.

9 Q And on the video tape was there any discussion as to the  
10 source of the money?

11 A There was comments that it was dirty money and that her  
12 hands needed to be cleaned because of the dirty money.

13 MS. PROFIT: Excuse me, Your Honor, but Mr. -- okay,  
14 Mr. Duarte's back. Okay.

15 MR. DUARTE: I never left, Judge. I just had to  
16 pick something up off the floor.

17 THE COURT: Thank you for the clarification. And,  
18 Ms. Profit, you may proceed.

19 MS. PROFIT: Pardon me? I'm sorry, Your Honor.

20 THE COURT: You may proceed, Ms. Profit.

21 BY MS. PROFIT:

22 Q So the 83,000. What were the nature of the discussions  
23 that the undercover had?

24 A Did say it was dirty money and that she needed to clean  
25 her hands because it was dirty.



1 Q Tell us and describe the second incident.

2 A The second incident was in August, on August 2nd of 2018.  
3 On that occurrence the money was delivered to Maria Estella  
4 Surprise and Yolanda Pena, and that was approximately \$55,000.

5 Q Now when this money was delivered, were there any  
6 discussions about the source of this money?

7 A Yes. That it was dirty money but that she actually gave  
8 Ms. Surprise, Estella, Maria Estella, gave information that she  
9 preferred money orders and gave information on how to obtain  
10 money orders in certain amounts so that you do not have to  
11 provide identification.

12 Q And during the course of your investigation did you do  
13 any research with respect to any money launderings going to  
14 South Texas Beauty Supply?

15 A Yes, ma'am, we did.

16 Q And what did you find?

17 A We found that they were getting multiple shipments of  
18 money orders via FedEx and that we were actually able to do  
19 sneak and peek warrant as well as seizure warrants for the  
20 money orders.

21 Q And how much did you seize?

22 A We seized approximately \$15,000 in money orders and  
23 during the sneak and peeks we observed approximately \$40,000  
24 in money orders.

25 Q And what was the source of the funds?

1 A We believe they were involved in drug trafficking up in  
2 the Detroit and Toledo, Ohio -- other areas in Ohio.

3 Q And have you done any research in terms of how many money  
4 launderings are coming through the banking account, bank  
5 account. Did you do any statistical analysis of that?

6 A Yes, we have.

7 Q And if you can recall, what did that show you?

8 A Large amounts, upwards of \$600,000 in money orders within  
9 our investigation.

10 Q Now, have you done any research with respect to cash into  
11 the South Texas Beauty Supply?

12 A Yes, ma'am.

13 Q And do you know what amounts of cash have been going into  
14 South Tex Beauty Supply?

15 A Approximately \$9 million in cash for a year for the past  
16 few years.

17 Q Now, when it comes to Ms. Daisy Suprise, what is her role  
18 in the organization, if you will?

19 A I believe she is a manager of the business. But we  
20 believe that money was being kept in her office and she was  
21 assisting her mother in transporting the money.

22 Q And when you "say she was assisting her mother in  
23 transporting the money," what did you mean?

24 A Post the search warrant at the business we have the  
25 phones belonging to Maria Estela Suprise and Joanna Pena.

1 Agents got consent to search those phones and during consent  
2 searches located messages between Maria Estela and Yolanda  
3 Pena as well as with Daisy, stating that there was money being  
4 kept in her office and whether she should bring it to her  
5 mother's house or if it should remain there. And it was large  
6 amounts of currency.

7 Q And when you say "large amounts of currency," what do you  
8 mean by large amounts of currency?

9 A Approximately \$100,000 in cash.

10 Q And the direction was for Daisy to bring the money to her  
11 mother's?

12 A Yes, ma'am.

13 Q Now, did we execute a search warrant at Estate Suprise's  
14 home?

15 A Yes, ma'am, we did.

16 Q And what did we find in terms of money there?

17 A We found approximately \$16,000 located in a safe in the  
18 residence.

19 Q And with that money, was there anything else that you  
20 recovered?

21 A Yes, ma'am. There was an envelope portraying a letter of  
22 currency with the name of another co-conspirator that was a  
23 customer.

24 Q And when you say this other co-conspirator, is this the  
25 individual that you believe was transporting large sums of

1 money to South Texas Beauty Supply?

2 A Yes. They money was on behalf of this individual.

3 Q Now, at the time of Estela Suprise's arrest, what kind of  
4 money did she have on her person or in her purse?

5 A She had approximately \$11,000 in her purse.

6 Q And did she tell you what the source of that money was?

7 A Yes. She said that approximately \$10,000 of the money in  
8 her purse belonged to that co-conspirator also.

9 Q Now, in terms of Daisy Suprise. At the time of her  
10 mother's arrest did she have any money in her purse?

11 A Yes, ma'am. She had approximately \$6,000 in U.S.  
12 currency.

13 Q But she didn't -- she said that it was a bonus from the  
14 business, correct?

15 A That is correct.

16 Q Did she indicate it was because of the good work she was  
17 doing for the business?

18 A She did not indicate the reason for the bonus, just that  
19 it was a bonus from the business.

20 Q In reviewing Ms. Suprise's tax returns, have you  
21 discovered that she's received substantial increase in salary?

22 THE COURT: Ms. Profit, just before -- this needs to  
23 be clarified obviously of the mom and the daughter in regards  
24 to tax returns, who are you referencing, Ms. Profit?

25 MS. PROFIT: I'm asking with respect to Ms. Daisy

1       Suprise's tax returns.

2               THE COURT: Ms. Yates, you may proceed.

3               THE WITNESS: Yes, Your Honor. We did notice a very  
4       large increase in the past few years. I'd reference 2018, it  
5       increased to \$99,000 whereas in previous years it had been  
6       approximately 16 to \$30,000.

7               MS. PROFIT: I have no further questions of this  
8       witness, Your Honor.

9               THE COURT: Mr. Duarte.

10              MR. DUARTE: Thank you, Your Honor.

11              CROSS-EXAMINATION OF SPECIAL AGENT MARIAH YATES

12              BY MR. DUARTE:

13       Q     Agent Yates, I would like to start by asking you if you  
14       can please tell the Court what the difference is between South  
15       Tex Beauty Supply, Inc. and South Tex Beauty and Barber  
16       Supply, Inc.

17       A     I am not aware of any large difference, just that Inc.  
18       encompasses both, I believe. But I am not aware of any  
19       difference in the two.

20       Q     You were just asked about doing some statistical analysis  
21       and I'm curious, what did you analyze in terms of company?

22       A     It was the all-encompassing company of South Tex Beauty.

23       Q     Okay. When you say there's an "all encompassing  
24       company," are you telling Judge Alanis that both use the same  
25       taxpayer identification number?

1 A I am unaware. I am unsure. We are looking at Ms.  
2 Suprise's personal tax returns, not for the business  
3 specifically.

4 Q No, ma'am. I'm sorry. I heard you say that you did a  
5 statistical analysis of South Tex Beauty Supply.

6 A Yes.

7 Q Did I hear that right?

8 A In regards to the amount of currency coming in, yes, sir.  
9 I am talking about the tax returns.

10 Q Well, no. I asked about a taxpayer identification number  
11 for each company. Do you know those?

12 A I don't know them personally for each business. But we  
13 are looking at the business in total, not separately.

14 Q Okay. And when you look at the bank accounts for South  
15 Tex Beauty Supply, Inc. and South Tex Beauty and Barber  
16 Supply, Inc., do they have separate bank accounts?

17 A There are multiple bank accounts. But during our  
18 analysis we did see that funds were being transferred between  
19 accounts continuously. So there was a lot of movement of  
20 funds from one account to another.

21 Q And when we are talking about accounts, did that include  
22 STV Creations, Inc.?

23 A I believe so.

24 Q Did that include ST Ranches, Inc?

25 A I believe so.

1 Q Did that include ER-1980, LLC?

2 A I believe so.

3 Q Now, when it came to these companies and your review of  
4 their documents, did you review the IRS audits for these  
5 different companies?

6 A We have not yet. We are working on trying to do that,  
7 but we have not been able to do that yet.

8 Q All right. And if I were to represent to you that these  
9 companies were audited by the IRS and they did not have any  
10 penalties assessed, would that surprise you?

11 MS. PROFIT: Your Honor, relevancy.

12 MR. DUARTE: Well Judge, she has said that there is  
13 money coming in and it's all drug money. The IRS going in and  
14 looking at what money comes in for purchase of legitimate  
15 assets and the sales, those are computations the IRS did. And  
16 this agent has put every single company together and lumped it  
17 all together.

18 MS. PROFIT: Your Honor, it's still an issue of  
19 relevancy. She's indicated that she has not gotten  
20 information about the IRS audit. So it's totally unfair to  
21 ask her questions about it or to have her draw conclusions  
22 about it. We don't even know the nature and extent of the  
23 audit other than what Mr. Duarte is representing.

24 THE COURT: Mr. Duarte, any further argument before  
25 I rule?

1 MR. DUARTE: Yes, Judge. The argument is that they  
2 have come into court and made a representation that this is,  
3 and I'll quote Ms. Profit, "a drug money laundering  
4 operation," closed quotes. And in fact this is a business  
5 that the IRS has audited that says they buy and sell beauty --  
6 one is beauty supplies and one is beauty and barber supplies.  
7 They spend hundreds of thousands of dollars buying these  
8 things. They get hundreds of thousands of dollars back for  
9 selling these things. And I'm not going to get into a  
10 distinction there. But, you know, they're making a  
11 representation that this question is relevant to.

12 THE COURT: So in regards to this, what is my  
13 understanding is she is not aware of the IRS audit or the  
14 results of the IRS audit. So I think this is beyond the scope  
15 of what she is aware of and, you know, may be a little bit  
16 beyond the scope of the preliminary hearing.

17 I do understand, Mr. Duarte, your argument in  
18 regards to how evidence presented and the argument presented  
19 from the Government about this being money laundering funds.  
20 But the agent has testified she is not aware of that audit or  
21 the results of that audit.

22 Mr. Duarte, if you want to present a witness or  
23 present any evidence in regard to that at the appropriate time  
24 you can, but I want to sustain it as she's already answered,  
25 she's not aware of the audit or the facts and circumstances of



1       that audit, if it did exist.

2               MR. DUARTE: Yes, sir.

3       BY MR. DUARTE:

4       Q     You have talked about two different events, February 14,  
5       2018 is the first one. Is it fair to say that the February  
6       14, 2018 event was supposed to occur on February the 13th,  
7       2018?

8       A     Yes. It would have occurred on February 13th of 2018.  
9       But due to time restraints the undercover was not able to make  
10      it to McAllen in time to arrive before the business closed  
11      that day, so it happened on February 14th.

12      Q     Before February 14th the undercover officer never met  
13      with Daisy Suprise, is that true?

14      A     That is true. It was all via phone calls.

15      Q     Well, when you say that is it true that there are no  
16      phone calls between Daisy Suprise and the undercover officer?

17      A     We don't believe so. The person on the phone line, an  
18      unknown female, stated that Daisy was able to accept the  
19      currency.

20      Q     So Daisy never spoke with an undercover agent?

21               MS. PROFIT: That was not her testimony, Your Honor.

22               MR. DUARTE: I'll rephrase it, Judge.

23               THE COURT: So I just understand Agent Yates  
24      testimony. I believe in that call in particular, and it's set  
25      out in the criminal complaint that she was referencing, was

1       that someone had answered the phone and said something to the  
2       extent that Daisy will be able to meet you or received you.

3               Is that correct, Agent Yates?

4               THE WITNESS: Yes, Your Honor. That is correct.

5               THE COURT: Mr. Duarte, you may proceed.

6               MR. DUARTE: Thank you, sir.

7       BY MR. DUARTE:

8       Q       So with regard to that specific event, is it fair to say  
9       that Daisy Surprise never participated in the transfer of  
10      drugs, to your knowledge?

11      A       To my knowledge I cannot state whether she did or she did  
12      not.

13      Q       All right. You don't have a witness that's going to say  
14      that she participated in the transfer of the drugs that led to  
15      a return of cash; fair?

16      A       As of right now, yes, that's correct.

17      Q       And as of right now you don't have Daisy Surprise ever  
18      touching any of the proceeds that you say came from a drug  
19      sale; true?

20      A       I cannot say that. Based off the messages that I saw, it  
21      seemed that she did have her hands on drug proceeds that were  
22      in the business.

23      Q       I'm talking about the February 14th, 2018 event, ma'am.  
24      Did you have any tie of this witness by way -- of this  
25      Defendant by way of any witness seeing her, possessing the

1 drug money or directing its traffic?

2 A No, sir.

3 Q Okay. Now then after the 13th, the transfer occurs on  
4 the 14th and there's no witness that places her at the scene  
5 of the delivery of any proceeds; fair?

6 A That is fair.

7 Q And you have no recorded phone conversations where Daisy  
8 Suprise says anything about monies that she is saying  
9 constitute drug proceeds. Is that fair?

10 A That is fair.

11 Q And you have no undercover agent or independent witness  
12 that puts her in possession of monies that she characterized  
13 as drug proceeds. Is that fair?

14 A On that date, no, sir.

15 Q Ever?

16 A I cannot say that as never.

17 Q Do you have a witness?

18 A I have messages stating that she had the drug proceeds.

19 Q My question is, do you have a witness that says she  
20 concedes or states or affirms that money in her possession  
21 came from illegal activities?

22 MS. PROFIT: Asked and answered, Your Honor.

23 MR. DUARTE: I've asked for --

24 MS. PROFIT: He's badgering the witness. He's  
25 badgering the witness.

1 THE COURT: Mr. Duarte, I'm going to sustain that  
2 objection. You may continue on with your questioning.

3 MR. DUARTE: Yes, sir.

4 BY MR. DUARTE:

5 Q Is it fair to say there are no recordings of Daisy  
6 Surprise confirming any monetary transaction as being illegal?

7 A As of right now, no, sir.

8 Q Okay. Now, you made reference to \$100,000 that somebody  
9 placed in Daisy Surprise's desk. Do you recall that?

10 A Yes, sir, I do.

11 Q And it is my understanding, having read some documents --  
12 and I just want to be sure that we're clear on this -- that  
13 \$100,000 was placed in Daisy Surprise's desk. It was not  
14 placed there by her; true?

15 A I believe that is true. Yes, sir.

16 Q And is it also true -- and this is where I got a little  
17 confused. Is it also true that she never moved that money  
18 herself?

19 A I cannot state that that is true, due to the fact that I  
20 have messages stating that she would be bringing it to Maria  
21 Estela's residence.

22 Q Well, and this is why I'm asking. Is that the messages  
23 that I'm privy to had to do with could she take the money to  
24 her mom's house. Are you saying there are messages saying,  
25 take it to your mom?

1 A I have messages saying that she is going to take the  
2 money to the mother's house.

3 Q And do you have confirmation that ever occurred?

4 A I do not have confirmation of that. No, sir.

5 Q Do you know the source of that specific \$100,000?

6 A Yes, sir, I do.

7 Q And it was for a specific transaction?

8 A It was for a specific customer. I am unsure of a  
9 transaction, but it's for one individual.

10 Q Okay. And I don't think it's a secret and I'm not going  
11 to say his name. But that specific customer, are you  
12 suggesting every single -- anything he spends comes from  
13 illegal proceeds?

14 A We believe the majority of his money is involving  
15 narcotics, and that is what he does, he is laundering money  
16 for the drug cartels.

17 Q Okay. And you don't have any information that Ms.  
18 Suprise is a member of any drug cartel; is that fair?

19 A That is fair.

20 Q Do you know the difference or can you tell us if there is  
21 a difference between the business that operates on the second  
22 floor of the building and the first floor of the building?

23 A I do not know the interworkings of the business. Just  
24 from post-arrest interviews we are being told that the below  
25 half is the retail, the upstairs just deals with the Mexican

1 clients.

2 Q All right. And my client works downstairs in retail; is  
3 that fair?

4 A When we did the warrant she did have an office downstairs  
5 and she did state that she was working the downstairs area,  
6 the retail portion.

7 Q Do you know which corporation operates the international  
8 part and which corporation operates the retail part?

9 A I do not, no, sir.

10 Q Have you traced specific cash from the wholesale business  
11 that was delivered as drug proceeds that were transferred  
12 downstairs to the retail business?

13 A In a way we were unable to do that due to the amounts  
14 being broken into smaller increments and deposited on multiple  
15 days rather than being deposited all at once.

16 Q You indicated that you seized \$15,000 in currency. Do  
17 you recall that testimony?

18 A It wasn't U.S. currency, it was money orders, so a  
19 financial instrument.

20 Q All right. And do you seize those from whom?

21 A They were en route to the business at South Tex Beauty  
22 via FedEx envelope. They were seized en route.

23 Q And it was addressed to whom?

24 A I believe it was Maria Estela Suprise.

25 Q You do not have confirmation that Daisy Suprise had any

1 connections with any illegal activities in the Detroit area,  
2 do you?

3 A I cannot confirm nor deny that at this moment. No, sir.

4 Q Well, for purposes of this hearing and her involvement,  
5 you don't have a witness that is willing to say she directed a  
6 drug deal in Detroit?

7 A No, sir. Not currently, no.

8 Q All right. And you indicated that this person that is  
9 involved with the cartels that may be laundering money has  
10 other illegal business dealings in the Ohio area generally.  
11 Do you have any recordings between Daisy Surprise and that  
12 individual?

13 A No, sir, I do not.

14 Q Do you have any phone calls between her and a number  
15 attributed to this individual that supposedly launders money?

16 A As of right now, no, sir.

17 Q Okay. In the statistical analysis that you did for the  
18 wholesale operation -- well, maybe I don't understand.

19 The statistical analysis that you did that involved  
20 approximately \$9 million in cash, that's over what period,  
21 please?

22 A That would be over one-year period, sir. We did it over  
23 -- it was an average of approximately \$9 million per year for  
24 the past ten or so years.

25 Q All right. And in that approximation, how many

1 corporations are involved in that total money sum?

2 A If I can guess I want to say it was -- for all businesses  
3 utilizing the beauty supply address as their address.

4 Q And so the ranching operation, for example, I think out  
5 in Starr County, it receives mail on the Broadway address in  
6 McAllen?

7 A I believe so. I cannot -- I am unsure if all their mail  
8 goes there or if it goes to another area.

9 Q In that 9 million that you're talking about, will that  
10 include the buying and selling of cattle?

11 A I do not believe so, sir.

12 Q Would it involve oil royalties?

13 A I am unaware of any oil royalties.

14 Q Now, over this ten-year period you indicted that Daisy  
15 Suprise's income changed a small amount up to almost \$100,000;  
16 fair?

17 A That is fair, yes, sir.

18 Q And can you explain to the Court how the time she spent  
19 at that business changed over those years?

20 A I cannot. As of right now I have not fully looked at  
21 them. I only looked at them for the amounts to show what she  
22 was filing for taxes. I've not looked at her hourly workings.  
23 No, sir.

24 Q Okay. Do you know when she was in college, for example,  
25 and unable to work?



1 A No, sir.

2 Q You know she has two children, correct?

3 A That is correct. Yes, sir.

4 Q Do you know how much time she took off from work so that  
5 she could raise her children at younger ages?

6 A No, sir, I do not.

7 Q Do you know when she returned as a full-time manager?

8 A No, sir, I do not.

9 Q You indicated there was \$6,000 in cash on Daisy Suprise's  
10 person in her purse that she said was a bonus, correct?

11 A That is correct.

12 Q You indicted she did not give you a reason for that. Did  
13 someone ask her for a reason?

14 A I was not there at the time. I do not know if agents  
15 asked her what the reasoning for the bonus was, just that she  
16 stated it was a bonus from the business.

17 Q Now, Mr. Suprise, Daisy's dad, he has not been indicted;  
18 fair?

19 A As of right now, no, sir, he has not been indicted.

20 Q And he's still operating those businesses, is he not?

21 A I believe so. I'm not sure, but I believe so.

22 Q All right. If there is --

23 MS. PROFIT: Objection, relevancy.

24 THE COURT: Mr. Duarte, that's a good point from Ms.  
25 Profit. What is the relevancy in regards to this line of

1 questioning involving her father, Mr. Suprise?

2 MR. DUARTE: It goes to the strength of the  
3 Government's case associated with this, quote, "money  
4 laundering operation." He was approved by the Court, I think,  
5 as a third-party custodian for Maria Estela Suprise. He's not  
6 indicted. Nobody said anything bad about him. If she is in  
7 that same vein it goes to the strength of the Government's  
8 case under the Bail Reform Act.

9 THE COURT: I think all that could be made under  
10 argument. If you could move on with your questioning.

11 MR. DUARTE: Yes, sir.

12 BY MR. DUARTE:

13 Q The \$100,000 that was placed in Daisy Suprise's desk.  
14 I'm just looking at my notes and what was said here.

15 Do you have evidence that she actually ever took  
16 possession of that 100,000?

17 MS. PROFIT: Your Honor, that's been asked and  
18 answered. Asked and answered. And the agent has already  
19 testified to that.

20 THE COURT: Mr. Duarte, that question has been asked  
21 and answered.

22 MR. DUARTE: Okay. I believe that's all my  
23 questions, Your Honor.

24 THE COURT: Ms. Profit, any follow up at this time?

25 MS. PROFIT: No, Your Honor.

1 THE COURT: Agent Yates, for purposes of the  
2 preliminary and detention hearing, we're obviously doing  
3 everything here through the video conferencing. For lack of a  
4 better phrase you can formally step down from the stand at  
5 this time, but do stay online should any further testimony be  
6 needed as the proceedings go forward.

7 (Witness excused.)

8 THE COURT: Ms. Profit, any further witnesses at  
9 this time in regard to the preliminary hearing?

10 MS. PROFIT: No, Your Honor.

11 THE COURT: Mr. Duarte, do you have any witnesses --  
12 actually you mentioned tax returns. I don't know if you're  
13 going to bring up any evidence in regard to the tax returns.

14 MR. DUARTE: No, Your Honor. I'm not going to put  
15 on any evidence at this point.

16 THE COURT: So for purposes of the preliminary  
17 hearing, Ms. Profit, any argument?

18 MS. PROFIT: Your Honor, the Government believes  
19 that there is probable cause to believe that this individual  
20 has been engaged in a money laundering operation, which the  
21 intent was to disguise the nature, location of the monies.

22 There is testimony that there was monies that was  
23 being delivered by undercover officers; that her co-  
24 conspirators indicated that Daisy was one of the individuals  
25 that it could be delivered to. She did not happen to be there

1 on that day that the money was counted, and at the time there  
2 were comments that were being made that were video taped with  
3 respect to the fact that they had to clean money.

4 At the second opportunity there was a suggestion  
5 that money orders would be used. The agents have reviewed Ms.  
6 Suprise's -- have reviewed text messages between Yolanda Pena  
7 and Ms. -- her mother, Ms. Suprise, where the money was being  
8 directed; that the money -- cash that was being -- come in was  
9 being directed for Daisy to bring it to her mother. There was  
10 corroboration of the fact in the text messages that this had  
11 occurred. There was large sums of money that was being  
12 delivered.

13 And throughout the whole source of the operations we  
14 find that there is extreme large amounts of money that are  
15 going through the organization. The agent testified to \$9  
16 million going through accounts.

17 When you look at the Pretrial Services report, you  
18 see that Ms. Suprise is also engaged in an extremely large  
19 lifestyle. It is consistent with her being a participant in  
20 the money laundering organization. We believe that there is  
21 sufficient -- that there are sufficient facts articulated  
22 through the testimony of the agent and in the criminal  
23 complaint to find probable cause that the purpose of this was  
24 to disguise the nature and so was et cetera of the monies that  
25 were coming in from that particular individual in Mexico. So

1 we ask that the Court find probable cause.

2 THE COURT: Mr. Duarte.

3 MR. DUARTE: Yes, Your Honor. I would respectfully  
4 disagree with Ms. Profit. I do not believe there is probable  
5 cause in this specific case for many many reasons.

6 The Government has accused, by way of its criminal  
7 complaint, that my client participated in the transfer of  
8 money, concealing of money that she knew to be from an illegal  
9 source. And there is nothing here that suggests that.

10 We have an individual the Government believe is  
11 involved in illegal activity. He may be, he may not. I don't  
12 know that yet. But that person never met with Daisy Suprise  
13 and never spoke with Daisy Suprise, never got directions from  
14 her, never gave directions to her. That individual allegedly  
15 takes monies and delivers them to who knows where. I'm going  
16 to, for the sake of argument, suggest that it is to the  
17 wholesale operation, not the retail operation.

18 But, regardless, the person comes with money and  
19 delivers it and the money is counted and gets a receipt.  
20 That's no different than any other bank transaction. There  
21 has to be something that ties Daisy Suprise to an illegal act.

22 The only thing that happened with Daisy Suprise that  
23 we know about is, on February 13, 2018 a person said Daisy  
24 Suprise will be here and she can accept the money for you.  
25 Okay. That's like saying a bank teller can take your deposit,

1 or back in the day when my wife worked there, those are the  
2 special tellers that you take to the vault. It doesn't mean  
3 that the money is illegal.

4 Then there is another event where \$100,000 is placed  
5 in Daisy Suprise's desk, and the Government says there is some  
6 kind of email, text, or message about should the money be  
7 taken to Maria Estela Suprise, the mom. Well, whether she  
8 should take it there, leave it in the desk, deposit it in the  
9 bank, is just an option. It doesn't mean that the money is  
10 known by my client to be illegal. Even if it were, and I'm  
11 not suggesting that it is, I'm not conceding that fact.

12 But this business that has \$9 million in sales, the  
13 Government hasn't even told you how much of that money comes  
14 from illegal proceeds. I've got no clue sitting here today.  
15 And just by way of example, if \$500,000 was used to buy Wahl  
16 scissors and Wahl, W-a-h-l, clippers and all kinds of items  
17 that are common in the beauty and barber industry. If \$500,00  
18 went there and 8,500,000 was in legitimate sources, for  
19 whatever percentage you may want to say, how does that tie  
20 Daisy Suprise to anything.

21 There are multiple corporations that we have named  
22 today, and they each have a function. One might hold real  
23 estate, one might sell cows, one might sell items retail and  
24 some might sell wholesale and some may have others --

25 MS. PROFIT: Your Honor, is Mr. Duarte making an

1 argument or is he testifying?

2 MR. DUARTE: Based on --

3 THE COURT: Ms. Profit --

4 MR. DUARTE: -- it's argument.

5 THE COURT: -- he's laying out the argument why he  
6 believes there is insufficient probable cause.

7 He may continue on with his argument at this time.

8 MR. DUARTE: So the government has failed to  
9 establish any connection between anything illegal. They  
10 haven't quantified it, even though they did a statistical  
11 analysis of it. And \$600,000, op end of \$9 million, isn't  
12 even 10 percent. So how is my client tied to any illegal  
13 activity in terms of evidence? There really is none that she  
14 knew that any money that her mother received for any client  
15 was illegal.

16 And so that's where there is a lack of probable  
17 cause. Now, if somebody had said, Ms. Surprise, do you want to  
18 take this illegal money that I got for some of these drugs,  
19 and she said, yes, that would be one thing. If the  
20 confidential informant said that, if an undercover officer  
21 said that, if a co-defendant said she knew the money was  
22 dirty.

23 Talk to people what they did on video tape. That  
24 may be a whole different matter. And we're talking about  
25 Yolanda and Maria Estela, is my understanding. I haven't seen

1 the video tape.

2 But there's no such thing with Daisy, the daughter.  
3 And so she had a legitimate business operation on the first  
4 floor and I'm assuming the Government has shut down Mr. Big,  
5 or whoever this launderer is, and she can continue selling  
6 scissors and the like. But in terms of probable cause, we  
7 disagree that any exists.

8 THE COURT: Ms. Surprise, I want to address you at  
9 this time. If you could please stand up.

10 THE DEFENDANT: Yes, Your Honor.

11 THE COURT: We are set here for a preliminary  
12 hearing to determine at this stage whether or not there's  
13 sufficient probable cause to allow the Government to go  
14 forward with these proceedings. You do not need to say  
15 anything at this time, by the way. I just remind you of that.  
16 Every now and then individuals feel a need to speak up.  
17 Again, your counsel is online and if you believe you have a  
18 need to talk to him, just raise your hand and I'll give you  
19 that chance to speak with him.

20 In regard to the probable cause portion, the  
21 preliminary hearing the standard is, is there sufficient  
22 evidence to allow the Government to go forward. In making  
23 this decision I want to take into consideration the criminal  
24 complaint as well as the testimony of Agent Yates from DEA  
25 this afternoon. I will also take into consideration the



1 arguments on behalf of the argument from Ms. Profit, and the  
2 arguments on your behalf from Mr. Duarte.

3 You are charged in a criminal complaint from  
4 February 14th of 2018 to February 15th of 2019 of being  
5 connected to a conspiracy to essentially launder drug proceeds  
6 in violation of Title 18, United States Code 1956(h).

7 The evidence presented in regards to your  
8 involvement and in connection with the conspiracy is it  
9 appeared that in regards to one transaction of drug proceeds  
10 being delivered to the business back in February 2018, an  
11 individual stated that you would be able to receive those drug  
12 proceeds.

13 I will note, as it has been set forth by your  
14 counsel, you are not the individual that actually received  
15 those drug proceeds. It appeared to be Ms. Yolanda Pena at  
16 the time based on the criminal complaint. But there was  
17 evidence there of your involvement in that you had received  
18 those drug proceeds. There is another transaction set forth  
19 in the criminal complaint from August 2nd of 2018 involving  
20 about \$55,000 of currency connected to drugs proceeds and drug  
21 transaction. In particular, a methamphetamine transaction  
22 from July of 2018.

23 I forgot to note the amount of money delivered back  
24 in February was approximately \$83,420.

25 In connection with this second transaction, as

1       noted, I believe by your counsel and testimony presented, you  
2       were not involved with that transaction but there was a  
3       delivery of that amount of proceeds. The individuals involved  
4       was a Maria Estela Suprise and Yolanda Pena, based on the  
5       criminal complaint in regard to that transaction of August 2nd  
6       of 2018.

7               At the time of arrest \$11,000 was collected from a  
8       co-defendant, Maria Suprise, that I believe to be connected to  
9       the money laundering activities of an un-indicted co-  
10      conspirator in this transaction. \$6,000 were collected from  
11      you. The Government has alluded that they believe that's  
12      probably connected to money laundering transactions. But  
13      other than their illusions they have presented no further  
14      evidence in that regard to this \$6,000.

15             Also based on testimony of Agent Yates there was  
16      various text messages that were found, in particular from  
17      October 12th of 2018, between a Ms. Yolanda Pena, who was  
18      involved with those transaction, and Ms. Daisy Suprise, about  
19      having about 100 -- believed to be \$100,000.

20             Basically, as set forth in the complaint, Daisy, you  
21      have some money in your office, it's 100. So you can secure  
22      them, please. The response, allegedly from you at that time  
23      is, where, I'm already here. Ms. Yolanda Pena, in the drawer  
24      on the right.

25             But another transaction -- or transcript -- I'm

1       sorry, on October 12th, 2018 of a conversation of the text  
2       messages between Ms. Yolanda Pena and Maria Suprise advising  
3       that there was 100 from the un-indicted co-conspirator. Ms.  
4       Maria Suprise asked where the money's at. Set forth that the  
5       money is in Daisy's office and she's going to take it to your  
6       house and location, meaning it would be taken to Ms. Maria  
7       Suprise's residence.

8               And then there's a text message, February 15th,  
9       2019. Again, between Yolanda Pena and Ms. Maria Suprise  
10      that's been translated here. Ms. Pena advises they brought  
11      money orders, 150; do I leave them here or does Daisy take  
12      them to your house, waiting instruction. So Ms. Maria Suprise  
13      advised, keep them there. I'll return in the afternoon.

14             I do understand the argument from your counsel that  
15      there is not a direct witness saying this individual, being  
16      you, Ms. Suprise, Daisy Suprise, was involved in the drug  
17      transaction, or maybe an individual saying you were involved  
18      with the laundering of the proceeds.

19             But looking at the totality of the circumstances,  
20      looking at the transaction involved from February of 2018 and  
21      August of 2018, and looking at the text messages outlined in  
22      the complaint and testified here this afternoon, there is  
23      sufficient evidence on a probable cause standard to allow the  
24      Government to go forward with these proceedings.

25             Essentially probable cause has been a sign as

1 evidence sufficient to cause a person of ordinary prudence and  
2 caution to consciously entertain a reasonable leap that the  
3 accused committed the crime. That's stated in *Illinois v.*  
4 *Gates*. Probable cause deals with probabilities. These are  
5 not technical. They are the factual and practical  
6 consideration of every day life on which reasonable and  
7 prudent men, not legal technicians act.

8 Taken into consideration we are set here only for a  
9 probable cause hearing. For the evidence outlined I do  
10 believe there is sufficient evidence to show that you are  
11 involved in the conspiracy to launder drug proceeds.

12 I will note, Ms. Daisy Suprise, this is not the  
13 ultimate finding of guilt or innocence based on proof beyond a  
14 reasonable doubt. There may be other facts or circumstances  
15 that may affect the final outcome of the case, and that is  
16 something for your attorney, Mr. Duarte, to review with you as  
17 these proceedings go forward.

18 Again, I will note I did take into consideration his  
19 arguments, did understand his arguments without being no  
20 direct evidence. But again, looking at the totality of the  
21 circumstances, taking into consideration those text message on  
22 a probable cause standard at this time there is sufficient  
23 evidence to allow the Government to proceed forward with these  
24 allegations.

25 With this finding here we are now proceeding forward

1 with the detention hearing. Government recommendation?

2 MS. PROFIT: Your Honor, the Government is very much  
3 concerned about in reviewing the Pretrial Services report,  
4 frankly the situation is worse than the Government thought.  
5 We see an awful lot of overlapping in terms of expenses  
6 between Ms. Suprise and her parents, which would not normally  
7 be of concern other than the fact that the mother and the  
8 business are so heavily involved in this trade-based money  
9 laundering.

10 And so the concern we have, for purposes of letting  
11 this woman out on bond is, where is she going to live, because  
12 her present residence is right behind her mother. How is she  
13 going to support herself, because she can't continue to live  
14 off the business. And how is she going to establish an  
15 independent life from her mother and the business for purposes  
16 of making sure that there is no collusion as we get ready --  
17 as we proceed in this matter.

18 I mean she has substantial credit card debt. They  
19 borrowed from the TSP retirement. They're making, what I  
20 would consider to be an appreciably good amount of money, but  
21 they spend \$1400 a month, according to the Pretrial Services  
22 report, in restaurant dining.

23 We need to be able to ensure that she's going to be  
24 here. We need to be able to ensure that any funds that are  
25 posted are separate and distinct from her parents funds. And

1 we need to be in a position to -- she herself has acknowledged  
2 that she has ties to Mexico in the form of an uncle and a  
3 cousin that she's very close to.

4 THE COURT: Mr. Duarte --

5 MS. PROFIT: That's sort of not answering the  
6 question, but that's what the Government sees as significant  
7 hurdles to be overcomes in this case.

8 And I don't think that the Pretrial Services  
9 recommendation, which is a \$75,000 bond with a \$5,000 cash  
10 deposit, addresses it.

11 THE COURT: Ms. Profit, I didn't mean to cut you  
12 off. Anything else?

13 MS. PROFIT: No, Your Honor.

14 THE COURT: Mr. Duarte.

15 MR. DUARTE: Your Honor, may it please the Court. I  
16 have looked at the Pretrial Services report and I was a party  
17 to the investigation. In other words I was allowed to be  
18 present when she was interviewed.

19 Number one. My client at page 3 of 5 says, has a  
20 cousin in Baha, California, and an uncle. And she has not  
21 seen those individuals in over 20 years, even though she  
22 speaks with them by telephone. In fact, she only speaks with  
23 the cousin on occasion. I don't know how that presents a  
24 problem for the Government as opposed to Ms. Pena that was  
25 actually living in Mexico this past year and is out on bond.

1 That's number one with the areas that --

2 THE COURT: Mr. Duarte, Mr. Duarte, I want to  
3 address something here. I can't speak for anybody else. But  
4 when I make a bond determination I just look at the facts and  
5 circumstances of that individual and what's presented here. I  
6 want to ask you that you basically focus your arguments in  
7 regards to your client here. What may or may not have  
8 happened in another case, as I'm concerned, at this time is  
9 not relevant unless there's direct connection in that regard.

10 I do know there is probably going to be an issue of  
11 residence, where she's going to reside, and whether or not if  
12 bond is set, having contact with her mother as these  
13 proceedings go forward. But whether or not somebody else get  
14 bond, from everything I have before me, I don't see how that's  
15 relevant to whether or not Ms. Surprise should get bond.

16 MR. DUARTE: Understood, Judge. The only point I'm  
17 making is, she really has not contact with Mexico, does not  
18 travel to Mexico, hasn't been in Mexico, I believe for over 16  
19 years, and she's been married for 16 years.

20 She is a lifelong resident of Hidalgo County. She  
21 is a happily married woman of 16 years to Victor Soliz, who is  
22 here present electronically, and he can support his wife.  
23 Period.

24 Now, the issue of where she lives is certainly an  
25 issue. And this is all directly related, Judge. And we have

1 Maria Estela Suprise who lives across the street and is out on  
2 bond, but she is living with her husband, a third-party  
3 custodian, I think. I hope I have that right.

4 Across the street or down the street, my client  
5 lives in her own home with her husband in a house that is  
6 legally owned by her parents. There's no mortgage to pay,  
7 there's no lien on it that my client has to go pay her mother  
8 or father or anything like that. I think it is reasonably  
9 safe for my client to go home and live with her husband and  
10 her two children in the residence. So that is, in terms of  
11 where she lives.

12 I do have a couple of issues there, Judge. Number  
13 one, my client is a U.S. Border Patrol Officer, and he has  
14 removed all of his firearms and his -- I think he had three  
15 bows with accompanying arrows. So all of those items are  
16 gone.

17 But he has two service revolvers that he keeps in a  
18 safe when he is at home and he is the only person that has the  
19 keys or the combination to that safe. My client has no  
20 ability to get to those service weapons. That's an issue that  
21 I know the Court needs to look at.

22 I would ask, and it's my understanding, that the  
23 Court can order the home inspection be conducted by video so  
24 that can be accelerated in terms of time. What I understand  
25 that's a procedure that in your District that's a possibility,



1       so I would ask for that.

2               In terms of employment. The business that we're  
3       talking about has been co-mingled with other businesses. And  
4       I don't know what to do with that. We have the retail  
5       business downstairs where my client worked and doesn't need to  
6       see her mother, and her mother doesn't have to go to the  
7       building, and her mother doesn't have to be involved in  
8       anything because Ms. Surprise's father should be able to  
9       address those issues and keep the business going in a legal  
10      manner selling legal products.

11              But it is a tough deal to kill the dog just to get  
12      rid of the flea. They have, I think, \$600,000 worth of  
13      alleged drug proceeds that have affected a \$9 million per year  
14      enterprise. And that the business needs to run. The  
15      employees need some place to work. My client is a manager and  
16      I would ask that she be allowed to work there so long as her  
17      mother is not involved in her business.

18              My client is happy to surrender her passport. She  
19      doesn't travel very much to begin with. The last trip was to  
20      Costa Rica on a trip with her family. And I would ask that  
21      she be allowed to travel outside of the Southern District of  
22      Texas for the purpose of coming to see her attorney and  
23      consulting with me.

24              The remaining issues in the report, I think they're  
25      okay. However, we would like my client to live with her two

1 children and her husband in her residence. I think it is easy  
2 to say that Maria Estela Surprise cannot go to my client's  
3 residence and I think she has been ordered not to be in  
4 contact with any co-defendants anyway. So I don't think  
5 technically that should be a problem.

6 It is my understanding that General Order 2020-20  
7 permits Your Honor to sign the conditions of bond for her, and  
8 my client will agree that Your Honor can sign the conditions  
9 of bond on her behalf in order to avoid any delays.

10 I really don't think that my client poses much of a  
11 danger to the community in terms of what's in the report. If  
12 what I hear is that my client on occasion allegedly held money  
13 for her mom or gave money to her mother that her mother said,  
14 hold this. If that is the full extent, because she's out on  
15 bond, living a normal life and not dealing with who we now  
16 know is a suspected drug trafficker and money laundering  
17 person by the Government, it should be relatively easy that  
18 she is not a risk to this community. I think that's the sum  
19 of my argument, Your Honor.

20 THE COURT: Ms. Profit, in regard to the two  
21 residences. And I don't know the exact residence for the co-  
22 defendant mother. Is it on the same property or is it like on  
23 the same street and the two houses are just on the same  
24 street? Or maybe Agent Yates can clarify that if necessary.  
25 Ms. Profit.

1 MS. PROFIT: I think that Agent Yates can clarify  
2 it. My understanding is that it is on the same property and  
3 that they about each other. But Special Agent Yates can  
4 clarify that.

5 THE COURT: Agent Yates, hold on one moment. Let me  
6 remind you, you are still under oath. And so, let me just ask  
7 the question again so it's clear.

8 The issue is the residence for the co-defendant, Ms.  
9 Maria Suprise and the residence for Daisy Suprise, what are  
10 the location -- where are they located and how are they  
11 located in respect to each other.

12 THE WITNESS: Yes, Your Honor. They're located on  
13 two separate streets, but the properties run together. They  
14 go back-to-back, they share a fence line and the fence line  
15 actually has a gate that allows them to travel from back yard  
16 to back yard.

17 THE COURT: So basically -- if I understand your  
18 testimony, the back yard is basically where they connect; is  
19 that correct?

20 THE WITNESS: That is correct, Your Honor.

21 THE COURT: And outside of that fence line, is there  
22 any other connection?

23 THE WITNESS: No, sir. They have to go back onto  
24 the street, but there is a gate on the fence allowing them to  
25 go from property to property.

1 THE COURT: Agent Yates, thank you for that  
2 clarification.

3 Ms. Profit, I don't know if you have anything  
4 further to add in regards to your argument.

5 MS. PROFIT: Yes, Your Honor. I mean the concern  
6 that the Government has is that Mr. Duarte has mentioned that  
7 the husband can support the wife. But the husband, with all  
8 due respect, has not been supporting the wife.

9 The residence belongs to the parents, they have  
10 substantial credit card debt, they have a loan against the  
11 TSP. Everything that they have comes from the parents, and  
12 that's a problem in this particular situation.

13 My understanding is, when you look at the Pretrial  
14 Services report you have a 2021 Porsche SUV lease of \$600 a  
15 month. That is for their 16-year old daughter, Your Honor,  
16 that was a gift for Valentine's Day or her Quinceanera. And  
17 there was a 15 -- according to the lease agreement, a \$15,000  
18 down payment for that.

19 They have an extremely extravagant lifestyle that  
20 has been supported by South Texas Beauty Supply and supported  
21 by the parents. And so we're in a situation where -- that  
22 they are going to have to continue to looking to the parents  
23 for that support, and they haven't come up with any other  
24 plan, other than they can continue to live somewhere where  
25 they're living rent free because it's owned by the parents.

1 The mother whom is a co-conspirator.

2 THE COURT: Ms. Profit, just so I understand, you  
3 know, looking at the facts and circumstances of the individual  
4 background is something under the Bail Reform Act. The usual  
5 focus is obviously flight risk and/or danger to community.

6 I understand your argument that financially they may  
7 be in a different situation than they were, the family, that  
8 is Ms. Daisy Surprise and her husband, before they were  
9 arrested and before Ms. Maria Surprise was arrested. But how  
10 does that relate to either flight risk or danger to the  
11 community? I mean, from everything you've said and if true,  
12 they, obviously would need to make some changes in their  
13 lifestyle, but I don't know how that affects flight risk.

14 MS. PROFIT: What the Government is concerned about  
15 is collusion. Not only flight risk but collusion, in the  
16 sense of Daisy Surprise being beholding to her parents, so that  
17 this affects how she looks at this particular case. That's  
18 what the Government is concerned about and we believe that she  
19 becomes a flight risk when she can no longer maintain the  
20 style of living that she has here.

21 We also think that for purposes of the Court's  
22 determination, one of the things that you look at is whether  
23 or not you can rely on an individual to make appearances to  
24 court, whether they are a responsible individual.

25 In looking at this Pretrial Services report, with

1 the amount of debts that these individuals have accumulated  
2 while receiving a fairly substantial income, would make the  
3 Government -- would make the argument that they are not  
4 financially responsible and ergo are not sufficiently  
5 responsible for the Court to rely upon them to appear.

6 I mean there's a whole bunch of -- looking at this,  
7 there's a whole bunch of red flags in terms of financial  
8 responsibility. I mean, I don't know how you -- a combined  
9 income of \$100,000 a year and still have \$13,000 in credit  
10 card debt and still have to borrow against your TSP.

11 THE COURT: Mr. Duarte, your response?

12 MR. DUARTE: Yes, Judge. It really is pretty  
13 simple. My client and her husband have been very fortunate,  
14 and if you look at page 4 of 5 you will see that there is a  
15 substantial amount that is paid every month, and it goes up  
16 even more during the summer months when we look at the  
17 children's sports, training and equipment.

18 I wasn't so fortunate, but these folks have children  
19 who are particularly gifted in sports and they get to play in  
20 those private leagues. They get to travel all over the place  
21 and you go -- you know, I'm not, again, lucky enough to  
22 participate in a camp that shows you how to be recruited for  
23 college sports scholarships. But such things exist.

24 Well, all of those things cost money. And you're  
25 right, they will need to make some adjustments to their

1 budget. But that's pretty much how they got here.

2 And when you talk about restaurant dining of 1400 a  
3 month, a large part of that is when you take your children  
4 every weekend to a softball tournament or a volleyball  
5 tournament or a soccer tournament, you spend that kind of  
6 money at the hotels and you spend it at the camps and you  
7 spend it at the restaurants.

8 Again, these are people who may have to make  
9 adjustments to their lifestyle. But the fact that someone has  
10 money or doesn't have money, shouldn't really affect their,  
11 one, being a flight risk or, two, being a danger to the  
12 community.

13 How is this person -- if she says she's got no  
14 money, how is she supposed to run away with her two daughters  
15 and her Border Patrol husband? It's not going to happen. She  
16 is going to show up for court. The reality is, she's going to  
17 show up for court, she's going to honor her commitment to the  
18 Court and, you know, the assets that she has, they may not be  
19 large in terms of some folks, but they're much better than  
20 many other people. And so, if she has a ranch that is valued  
21 at \$900,000 and the Government wants to collect, I don't know,  
22 \$50,000 because she ran away, I don't even think we need a co-  
23 surety here.

24 But how much money someone has really does not  
25 affect whether someone is a flight risk, one, or two, a danger

1 to the community. No matter how much money she gets from her  
2 parents, she's going to show up. No matter how little she  
3 gets from her parents, she's going to show up.

4 Again, this is no different than, in fact, many drug  
5 cases. How many times do we have brothers and sisters and  
6 fathers and mothers that get indicted in the same case. I'm  
7 here to represent her and I am going to tell her what the  
8 facts of her case are, the strengths of it, and she will deal  
9 with this based on independent counsel.

10 And the Government keeps stepping in trying to  
11 suggest that I do not have the ability to properly educate and  
12 advise my client about this system and the process and what  
13 she's looking at.

14 MS. PROFIT: Your Honor, if I may --

15 THE COURT: Ms. Profit, I understand there's been  
16 some sidebar remarks as we've gone through the hearing. But  
17 let's just focus while we're here in regards to whether or not  
18 bond should be set.

19 Do you have any further rebuttal argument on that,  
20 Ms. Profit?

21 MS. PROFIT: Yes, Your Honor. When we talk in terms  
22 of danger to the community we're ignoring the fact that many  
23 of these funds, if not all of these funds, have been derived  
24 from income that has been laundered through the business by  
25 drug traffickers.



1           We certainly know that there was 40 kilograms of  
2           methamphetamine involved in one of the undercover -- the  
3           proceeds from one of the undercover. We'd like to think of --  
4           people like to think of money laundering as being divorced,  
5           money launderers as being divorced from drug traffickers, but  
6           they're not. They are the lifeblood of drug trafficking  
7           because without the willingness of the money launderers, there  
8           would be no profit motive in drug trafficking. And I just  
9           want to point that out from a danger to the community  
10          perspective.

11           THE COURT: Ms. Surprise, at this time I'm going to  
12          address you under the Bail Reform Act the various facts and  
13          circumstances I need to take into consideration to determine  
14          whether or not bail or bond can be set.

15           As I advised you before there is nothing for you --  
16          you do not need to say anything at this time. If I make a  
17          misstatement in regards to your personal background or  
18          circumstance, please raise your hand. And if you believe you  
19          need to correct something here on the Record I'll give you a  
20          moment to meet with Mr. Duarte in a breakout room and then  
21          he'll be able to advocate on your behalf.

22           And again I said this here on the Record, because  
23          usually sometimes, not all the time, but every now and then an  
24          individual would like to speak up. Your attorney is not next  
25          to you at this time to advise you. So just raise your hand if

1       you believe you need to talk to your attorney, and I will give  
2       you that opportunity to speak with your attorney.

3               So under the Bail Reform Act from 1984 I am required  
4       to take into consideration the facts and circumstances of the  
5       case and I'll do so at this time.

6               You are charged in a conspiracy to launder drug  
7       proceeds from, again, 2018 through 2019. The facts and  
8       circumstances have already been laid out here in regards to  
9       the probable cause hearing. Based on the information in the  
10      criminal complaint substantial sums were involved. What is  
11      set forth in the complaint, again, are the totality of the  
12      circumstances. It does appear you're involved in connection  
13      to that laundering of drug proceeds.

14              As noted by Government counsel, this is a very  
15      serious offense. Drug trafficking is a very -- unfortunately,  
16      happens a lot of down here in South Texas and is a big problem  
17      down here, and as Ms. Profit has pointed out on the Record,  
18      the reason people traffic in drugs is because of the money  
19      involved and the large amount of sums that are involved and  
20      connected to it. And, you know, without the money and  
21      laundering there is really no drug trafficking. There is no  
22      financial incentive to do it. So they are part and parcel,  
23      they do go together.

24              This is a very serious offense that you're alleged  
25      of, even though in connection to the allegations maybe you

1 never even touched the drugs or dealt with the drugs directly.

2 I will note, though, unlike a drug offense there is  
3 no presumption of detention. In regards to somebody arrested  
4 for money laundering in connection to drug proceeds maybe that  
5 presumption should be there, but Congress has not set that.  
6 It's only in regard to the actual drug trafficking  
7 transactions.

8 So I am going to take into consideration the facts  
9 and circumstances of the case, the seriousness of the offense.  
10 I will take into consideration your role in connection of the  
11 role of the two co-defendants that I am aware of at this time,  
12 being your mother, Ms. Maria Surprise and Ms. Yolanda Pena, and  
13 make a determination whether bail or bond should be set.

14 I will note, even though I am allowed to take into  
15 consideration these circumstances of the case, you are  
16 presumed innocent at this time. And as I note in regards to  
17 probable cause hearing, there may be other facts and  
18 circumstances that may affect the final outcome of the case.

19 But for the portion of the detention hearing I can  
20 look at those facts and circumstances to determine if bail or  
21 bond should be set. Besides that, I'm also required to take  
22 into consideration your personal background and any  
23 circumstances.

24 In that regard I take judicial note of the pretrial  
25 report. I also take into consideration argument set forth by

1 Mr. Duarte on your behalf.

2 In regard to the pretrial report it does note you  
3 are 39 years old, you are a United States citizen. I do note  
4 I've been advised, I believe your husband is a Border Patrol  
5 Agent and he has been online throughout this hearing as well.

6 Basically you're a lifelong resident of McAllen,  
7 Texas. You're currently residing at a residence that is owned  
8 by your mother but you don't live there with your mother, you  
9 live there with your husband and your children.

10 It does note that there was a significant amount of  
11 firearms, rifles, shotguns and three hunting bows, based on  
12 the pretrial report and the announcement of Mr. Duarte, except  
13 for maybe the service weapons connected to your husband's job,  
14 I believe all those other weapons have been removed from the  
15 residence.

16 You do have a brother who also lives here in  
17 Mission, Texas. As obviously has been dealt with directly on  
18 the Record, your mother is a co-defendant, also lives here in  
19 South Texas, and your father also lives here as well, and  
20 looks like just right behind you, based on the testimony of  
21 Agent Yates.

22 You've been married for 16 years, you do have two  
23 children, ages 16 and 13, who are in the custody of your  
24 husband at this time.

25 You do own a passport. There has been some foreign

1 travel in the past to Costa Rica, four years ago as well as  
2 the Bahamas six years ago. It does note you have a material  
3 uncle and cousin who reside in Mexico.

4 Ms. Surprise I'm losing connection here. Just yes or  
5 no, can you still hear the Court?

6 THE DEFENDANT: Yes, Your Honor.

7 THE COURT: And Mr. Duarte and Ms. Profit, can you  
8 still hear the Court?

9 MS. PROFIT: Yes, Your Honor.

10 MR. DUARTE: Yes, Your Honor.

11 THE COURT: So there is some foreign travel and some  
12 connection to Mexico, as laid out here in the pretrial report.

13 In regards to your education and employment, it does  
14 note being a lifelong resident here in McAllen, you have  
15 graduated from McAllen Memorial High School in 2000. You did  
16 attend UT-Pan American for a couple semesters, but withdrew  
17 and ended up working as a general manager, it says here for  
18 three of the South Texas Beauty Supply locations in McAllen,  
19 Harlingen and Laredo, all of which are owned by your parents.  
20 It does note your annual income set forth in the report and  
21 your expenses as well.

22 It does note your husband is a Border Patrol agent  
23 for the past 19 years. Your income from the 2020 Joint Tax  
24 Income Return is set forth here in the report. It does note  
25 your assets and liabilities. It does note your net worth as

1 determined by the pretrial officer. I'll take that into  
2 consideration as well.

3 All this information has been corroborated by your  
4 husband in regards to your background, your education and your  
5 employment status.

6 There is a reference about a ranch that was gifted  
7 to your children by your parents.

8 No physical health issues of note. No mental health  
9 issues of note. No substance abuse issues of note. No prior  
10 arrests or convictions that I am aware of.

11 There has been an argument presented by Government  
12 counsel, that due to your connections to the business owned by  
13 your parents the Government's belief that the business is  
14 involved in extensive money laundering and your reliance on  
15 your parents over the years, for the obvious example, the  
16 residence you reside at belongs to your mom. There is concern  
17 for a flight risk should bail or bond be set in this matter.

18 But taking into consideration the fact that you are  
19 a United States citizen, you are a lifelong resident of  
20 McAllen, Texas, you have no prior arrests or convictions. As  
21 set forth in the report there's no drug abuse issues, no  
22 mental health issues, as well as no substance abuse issues of  
23 note. You have had basically employment with your parents  
24 business over the past 19 years. It appears your husband also  
25 has stable employment as well with Border Patrol. Your kids

1 do reside and live here in McAllen, Texas, as well as your  
2 immediate family.

3 Taking into consideration the role, as I'm aware of  
4 it, based on the information in the criminal complaint, taking  
5 all those factors into consideration I do believe there is a  
6 condition or combination of conditions that can be set to  
7 assure your appearance as well as safety to the community.

8 Bond is going to be as following: It is going to be  
9 a \$75,000 bond. I am going to require a deposit of 10  
10 percent, \$7,500. I am going to require a suitable co-surety  
11 that needs to be approved by the Court as well as a third-  
12 party custodian.

13 Mr. Duarte, in regards to meeting these conditions,  
14 should there be a chance in the financial situation of your  
15 client and these conditions are not met, you can file the  
16 appropriate motion for reconsideration of these conditions. I  
17 do think they're appropriate at this time based on the  
18 information I have before me to assure your client's  
19 appearance as well as the safety to the community.

20 Ms. Surprise, the other conditions of release will be  
21 as follows: You must not violate Federal, State or local law  
22 while on bond. Pretrial supervision will be here in the  
23 McAllen, Texas. You may need to maintain or actively seek  
24 employment. I am going to have to address that in a moment.  
25 I do not know if it's appropriate for you at this time to go

1 back working for South Tex Beauty Supply Company, considering  
2 the allegations contained in the criminal complaint and the  
3 testimony here from the agent this afternoon.

4 No travel outside the Southern District of Texas  
5 without permission of the Court. No foreign travel, so no  
6 travel to Mexico or any other country. I will allow travel to  
7 the Western District of Texas, San Antonio, to visit your  
8 counsel in preparation or to meet with him in connection with  
9 these proceedings.

10 In regard to that travel, I will advise that you  
11 just need to advise your pretrial officer when you're leaving  
12 to go to San Antonio, how long you're going to be there, and  
13 when you come back you'll need to check in with your pretrial  
14 officer.

15 Avoid all contact with the co-defendant, witness or  
16 potential victims. That includes your mother, Maria Suprise.  
17 She is a co-defendant in this matter. You cannot have any  
18 contact with her. Not only in person, telephone contact, also  
19 includes third-party contact. It would be real easy to maybe  
20 to ask you son or daughter, how is your mom doing. They may  
21 mean nothing about it, they're just going to ask about their  
22 grandmother. They may have communication that way. You  
23 cannot have any of that contact at all. If that contact comes  
24 to the attention of the Court, that could lead to basically a  
25 revocation of your release and you may be detained pending the



1 outcome of these proceedings.

2 You need to refrain from possessing a firearm,  
3 destructive device or other dangerous weapons. In a moment  
4 I'll address the issue of your husband's service weapons in  
5 connection to his employment with Border Patrol.

6 Refrain from any excessive use of alcohol, refrain  
7 from use or unlawful possession of a narcotic drug or other  
8 controlled substance unless prescribed by a licensed medical  
9 practitioner. Report within 72 hours to the Pretrial Service  
10 Office, supervising officer, any contact with law enforcement  
11 personnel, including but not limited to any arrest,  
12 questioning or traffic stop.

13 Ms. Iglesias is in the courtroom with Pretrial. I  
14 guess I'll have to address those issues. But for the  
15 conditions I've laid out so far, any questions?

16 MS. IGLESIAS: Her passport, Your Honor?

17 THE COURT: The passport does need to be turned in.  
18 I forgot to say that. Passport needs to be formally  
19 surrendered to the Pretrial Service Officer before you are  
20 released out on bond.

21 Let me go ahead and take care of another procedural  
22 matter at this time. Now, let me remind you, Ms. Daisy  
23 Surprise, you are still under oath.

24 Under General Order Number 2020-28, either counsel  
25 or the Court can sign the bail bond paperwork on your behalf.

1       Once all these conditions are met you'll be brought back here  
2       for a hearing. I'm going to go ahead and handle the bond  
3       release hearing in this case. Usually you'd be in court,  
4       you'd be able to sign the paperwork. Obviously, that will not  
5       be possible since you'll still be at the La Villa Detention  
6       Center. In lieu of that either your attorney or the Court can  
7       sign the bond paperwork, but only upon your consent.

8               So Ms. Daisy Surprise, do you consent to allowing  
9       either your attorney or the Court to sign the bond paperwork?

10              THE DEFENDANT: I do, Your Honor.

11              THE COURT: Mr. Duarte, do you agree to signing the  
12       bond paperwork on behalf of your client?

13              MR. DUARTE: Your Honor, because I'm in San Antonio,  
14       I would prefer the Court sign on behalf of my client, please.

15              THE COURT: I'll do it this way, Mr. Duarte. I have  
16       allowed electronic signatures. Obviously, unfortunately  
17       because of COVID we've become very adapt on sending documents  
18       back and forth, having attorneys not even having to come to  
19       the courthouse to sign the paperwork on behalf of their  
20       client.

21              My preference is to always have the attorney sign on  
22       behalf of their client, and Mr. Duarte, if for some reason  
23       that cannot happen, between communication between the Clerk's  
24       Office and your office, then obviously I'll be able to sign  
25       the paperwork on behalf of your client. But again, I believe

1 the procedures will be laid out where you'll be able to sign  
2 the bond paperwork and everything will be able to transmit  
3 between the Court and your office in San Antonio without any  
4 issues. Consent has been given here on the Record.

5 The issues I haven't dealt with regards to the  
6 conditions is the issue of employment and employment at South  
7 Tex Beauty Supply Company.

8 Based on the information set out here by Agent Yates  
9 in connection with the investigation, Mr. Duarte I do  
10 understand your argument about obviously it's a beauty supply  
11 company and you made an argument there of, you know, how much  
12 is it connected to the legitimate business versus how much can  
13 the Government can show is connected to money laundering.

14 But considering the facts and circumstances of the  
15 allegations and the testimony of the agent here, I think at  
16 this stage it is appropriate to say that at this time Ms.  
17 Daisy Surprise cannot work at South Tex Beauty Supply Company.  
18 This may change depending on how the prosecution goes forward.  
19 But at this point she cannot go back to that employment at  
20 this stage.

21 Again, I do understand your argument, Mr. Duarte,  
22 and I think some of that argument is more relevant should this  
23 case go to trial, versus a preliminary detention hearing. But  
24 it does appear the business is involved with a substantial  
25 amount of money laundering. I do understand the evidence may

1 show otherwise. I do understand your argument in regards to  
2 there is a legitimate reason for the business. But on  
3 everything I've set forth here today I think it is appropriate  
4 that at this time she cannot be employed by her father at the  
5 business as a condition of bond.

6 In regards to the firearms. This is a more delicate  
7 issue. I don't have any information here of any mental health  
8 issues that would bring me any concern about having the  
9 firearms at the residence.

10 The husband, Mr. Soliz, obviously is a Border Patrol  
11 Agent. He does have his service weapons. My understanding,  
12 those service weapons cannot be left out in the vehicle, they  
13 need to be secured in the residence when he gets home from  
14 work, for all the obvious reasons, where they should be  
15 secured at the residence while he's off duty.

16 Ms. Profit, based on the information I have before  
17 me, you know, I don't have -- I can't think of a reason why I  
18 should not allow him to at least secure his weapons there in  
19 the safe at the residence at this time. I don't know if the  
20 Government had anything they want to address in regards to  
21 that point.

22 MS. PROFIT: At this point, no, Your Honor. Though  
23 my understanding, based on Mr. Duarte's representation was --  
24 Mr. Soliz could confirm, is that they are kept secure in a  
25 safe and he's the only individual with access to that safe and

1 if he needs to enter the safe the password or whatever. I'd  
2 just like to confirm that.

3 THE COURT: Mr. Duarte, actually I was going to ask  
4 you the same. What is your understanding in regards to the  
5 safe at the residence for Mr. Soliz's firearms in connection  
6 to his Border Patrol employment?

7 MR. DUARTE: Yes, sir. It is my understanding, and  
8 I did interview Mr. Soliz on this specific point. He tells me  
9 neither his wife nor his children have any way of getting into  
10 that safe. He is the only person with access to the safe. He  
11 is the only person that knows how to get into it. And he is  
12 present today, Judge.

13 THE COURT: So I do note he has been here throughout  
14 the hearing. I still believe he is online at this time.

15 So I am going to allow -- no firearms are allowed in  
16 the residence, destructive device or other dangerous weapons  
17 except for the service weapons belonging to Mr. Soliz in  
18 connection to this employment for Border Patrol. Obviously  
19 the need to be locked in the secure lockbox or locker he may  
20 have at his residence to secure the weapons when he's not  
21 working for Border Patrol, when he's off duty at the  
22 residence.

23 Mr. Duarte, I'm going to ask Mr. Soliz to execute an  
24 affidavit in regards to what you've just said here on the  
25 Record, and if that affidavit could be submitted to Pretrial

1 Services in connection with meeting these conditions, in  
2 regards that he is the only one that has access to the safe  
3 and is the only one that has a key to the safe in regard to  
4 the firearms.

5 MR. DUARTE: I'll prepare that, Your Honor.

6 THE COURT: And again, I don't believe that there's  
7 anything -- I think it's appropriate, considering his  
8 employment, and there is nothing on the Record that would  
9 caution against allowing him to keeping his firearm there  
10 while his wife is on pretrial release.

11 I did forget to add. The residence does need to be  
12 checked for -- basically make sure it's suitable for somebody  
13 on pretrial release. My educated guess is more likely than  
14 not it is, as Mr. Duarte mentioned earlier, that can be done  
15 through a video through coordination through pretrial. And  
16 Mr. Soliz, or another family member if necessary in regards to  
17 checking the residence out.

18 Ms. Iglesias, I believe that should take care of all  
19 the conditions? I just want to make sure.

20 MS. IGLESIAS: Yes, Your Honor.

21 THE COURT: Before I give the final admonishments in  
22 regard to this hearing, Ms. Profit, anything else on behalf of  
23 the Government?

24 MS. PROFIT: No, Your Honor.

25 THE COURT: Mr. Duarte, anything on behalf of your

1 client, Ms. Daisy Suprise?

2 MR. DUARTE: Yes, Your Honor. Since he is on the  
3 line, if you will, right now, I would ask if the Court would  
4 approve Victor Soliz as the co-surety for his wife.

5 THE COURT: In regards to that affidavit, pretrial  
6 can provide him the application and he can formally complete  
7 the application and that will be provided to me for review,  
8 along with the affidavit, similar to our usual procedures in  
9 that regard.

10 MR. DUARTE: Yes, Your Honor.

11 THE COURT: If he doesn't have the paperwork,  
12 pretrial will get the paperwork for him and to complete. I  
13 presume he's obviously down here in McAllen or Mission. And  
14 he'll be able to complete that, if not by today, by tomorrow,  
15 for the Court's approval.

16 MR. DUARTE: Yes, sir. The other issue, Judge, is I  
17 just want to be clear. I know who the two co-defendants are.  
18 I do not know who witnesses are, but the Court does not want  
19 my client near potential defendants. She has a sister. I  
20 don't know that her brother, Rene, is a potential defendant in  
21 any way. Hopefully she would be allowed to see her brother.

22 I do not know that Mr. Suprise, her father, is a  
23 potential defendant and I'd hope that she'd be allowed to see  
24 him, but I'd like that clarified before I let her out to do  
25 anything.

1 MS. PROFIT: Your Honor, I resent Mr. Duarte fishing  
2 for information.

3 MR. DUARTE: It's just her brother and her father.  
4 Can she see them, yes or no, is all I'm asking.

5 THE COURT: Mr. Duarte, let me address this matter.  
6 Based on the information I have before me in each of these  
7 criminal complaints, there are three defendants; Maria  
8 Suprise, Yolanda Pena, as well as your client. The  
9 individuals she cannot have contact with is Yolanda Pena as  
10 well as her mother.

11 In regards to complaints that have been presented  
12 before me, I am not aware of the father being involved, I'm  
13 not even aware of her brother being involved at this time.

14 Ms. Profit, your resentment aside, I don't know if  
15 the Government had anything else to say in regard to that.

16 MS. PROFIT: Your Honor, the Government is not going  
17 to say anything at this time.

18 THE COURT: So basically, and again I want to review  
19 this with your client here today as well again at the bond  
20 release. But the co-defendants as listed are again the  
21 individuals just identified. So as far as witnesses,  
22 potential victims, in that regard the witnesses I can see here  
23 would be other employees at the business that she should not  
24 have any contact with. It does seem like other employees were  
25 involved, just based on the criminal complaint, and were aware



1 of what was going on. She cannot have any contact with them  
2 in that regard. But based on the information I have, besides  
3 that, I think that should cover everything and who she cannot  
4 have contact with at this time.

5 MR. DUARTE: Thank you, sir.

6 THE COURT: Ms. Surprise, I need to address you  
7 directly at this time in regards to being released on bond.

8 Failing to appear in court as required is a crime  
9 for which you can be sentenced to imprisonment. In other  
10 words, you make all your court appearances. If you fail to  
11 make any of your court appearances, the prosecutor can file a  
12 charge against you for failure to appear. It's not that hard  
13 to prove based on proof beyond a reasonable doubt. So whether  
14 they're in person or the video conference, attend court when  
15 required.

16 If you violate any condition of release, a warrant  
17 for arrest may be issued and you may be jailed until trial and  
18 also be prosecuted for contempt of court.

19 Committing crime on release may lead to more severe  
20 punishment than you would receive for committing the same  
21 crime at any other time. Should you commit any offense, even  
22 a traffic violation or a misdemeanor offense, should this case  
23 end up in a sentencing before a District Judge, that District  
24 Judge can take that into consideration. You could be looking  
25 at more time in jail or prison.

1           It is a crime to try to influence a juror, or  
2           threaten or attempt to bribe a witness or other person who may  
3           have information about this case, to retaliate against anyone  
4           providing information about the case or to otherwise obstruct  
5           the administration of justice.

6           In other words, again, you cannot have contact with  
7           any co-defendants, witnesses, or potential victims, in person,  
8           telephone, social media, third-party contact. The only person  
9           you can talk to about this case as these proceedings go  
10          forward is essentially, Mr. Duarte, any staff or investigator  
11          who may work with him in his office.

12          Should anybody ever reach out to you in regards to  
13          these proceedings, I would advise you to follow up with Mr.  
14          Duarte and he would tell you how to proceed forward should  
15          that happen.

16          Should it come about that you're trying to contact  
17          co-defendants, potential witnesses who may work at South Texas  
18          Beauty Supply Company in this matter, that could lead to  
19          additional charges being filed against you by the Federal  
20          Government and including, basically trying to tamper the  
21          investigation, somehow obstruct the administration of justice  
22          as these proceedings go forward.

23          The final admonishment I need to give this  
24          afternoon, Ms. Surprise, with you here in the courtroom through  
25          the video conference with Ms. Profit online as well as Mr.

1 Duarte online, let me advise the following:

2 In accordance with the Federal Rules of Criminal  
3 Procedure 5(f) as recently amended by the Due Process  
4 Protection Act, from October 21st of last year and signed by  
5 President Trump, the Government is hereby notified of an order  
6 to comply with the prosecutor's disclosure obligations under  
7 *Brady v. Maryland*, a Supreme Court case from 1963 and related  
8 case law since 1963.

9 A failure to comply with these disclosed obligations  
10 can lead to sanctions against the Government, such as a delay  
11 of trial of the proceedings, the exclusion of evidence, to  
12 give an adverse jury instruction, the granting of a new trial,  
13 the dismissal of an action or finding of contempt of court.

14 In other words, Ms. Surprise, under *Brady v. Maryland*  
15 the Government is obliged to produce through discovery any  
16 exculpatory evidence. Evidence that would show you're not  
17 guilty of the allegations in the criminal complaint, or any  
18 impeachment evidence. Evidence that could be used to cross  
19 examine someone who may testify against you. Failure to do so  
20 can lead to the noted sanctions.

21 There is actually no order needed for the Government  
22 to comply with these disclosed obligations. However, to  
23 comply with the change of law, an order setting forth this  
24 admonishment will be placed in file in this matter.

25 Ms. Profit, anything further for today's hearing?

1 MS. PROFIT: No, Your Honor.

2 THE COURT: Mr. Duarte, anything further, any  
3 questions regarding the conditions of release before I  
4 conclude this afternoon's hearing?

5 MR. DUARTE: I do not believe so, Your Honor.

6 THE COURT: Ms. Surprise, one last thing I need to  
7 advise you of. It will probably take a couple of days, maybe  
8 even up for a week for all these conditions to be met. You  
9 are going to be detained. And again, once these conditions  
10 are met we'll bring you over here for a formal bail/bond  
11 release hearing. Until then you are remanded to custody of  
12 the Marshals.

13 THE DEFENDANT: Thank you, Your Honor.

14 (Defendant remanded.)

15 THE COURT: All parties are excused for this  
16 afternoon's hearing. Thank you for your attendance.

17 MS. PROFIT: Thank you, Your Honor.

18 MR. DUARTE: Thank you, Your Honor.

19 (Proceedings adjourned at 5:09 p.m.)  
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21  
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I certify that the foregoing is a correct transcript to the best of my ability due to the condition of the electronic sound recording of the ZOOM/telephonic proceedings in the above-entitled matter.

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/S./ MARY D. HENRY

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